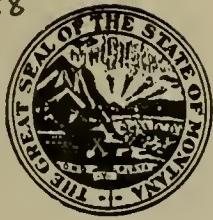


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State of Montana  
BOARD OF HAIL INSURANCE  
CAPITOL BUILDING  
HELENA, MONTANA

December 1, 1968

Honorable Tim Babcock, Governor  
Capitol Building  
Helena, Montana

Preliminary Report of the 1968 Operation  
of the State Hail Insurance Department

Dear Governor Babcock:

As required by Section 82-1519, R.C.M. 1947, and as a matter of information a report of the 1968 season is hereby submitted.

Significant events of the past year include retirement of Lyle Standish as Chairman. Mr. Standish in his five years as Chairman of the Board compiled an efficient and competent staff of field and administrative personnel. Continuity of insurance underwriting and loss adjustments were uninterrupted upon his departure from the Board.

The premium volume for the year was \$780,046.12 representing an all time high. Favorable moisture and growing conditions throughout our state indicate an even larger premium volume year is possible in 1969. Losses for the season totaled \$390,770.99 and the loss ratio in terms of dollars collected to dollars paid for claims was 50% and is considerably better than the 49 year average of 78%.

BUSINESS SUMMARY FOR 1968

Total Risk Written .....	\$8,987,832.76
Premium Charge .....	780,046.12
Losses Paid .....	390,770.99
Policies Issued .....	2,587
Acres Insured .....	805,950.7
Average Acres Insured Per Policy .....	311.5
Acres Reported Damaged .....	85,628.2
Losses Filed .....	478.
Days with Hail .....	35.
Loss Ratio .....	50. %
Average Rate Charged .....	8.7%

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HAIT Ins.

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### TOTAL RISK BY KINDS OF GRAIN—1968

Winter Wheat .....	\$5,661,289.40
Spring Wheat .....	2,218,644.90
Oats .....	82,179.00
Flax .....	5,280.00
Barley .....	949,295.46
Rye .....	240.00
Beans .....	1,662.00
Beets .....	33,942.00
Corn .....	360.00
Mustard .....	5,604.00
Safflower .....	5,208.00
Alfalfa Seed .....	4,140.00
Peas .....	4,608.00
Sanfoin .....	15,360.00
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	\$8,987,832.76

### TOTAL ACRES INSURED—1968

Winter Wheat .....	498,387.7
Spring Wheat .....	200,528.5
Barley .....	96,138.5
Oats .....	7,277
Rye .....	80
Sanfoin .....	640
Safflower .....	461
Flax .....	440
Peas .....	192
Beets .....	801
Beans .....	148
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	805,950.7

### LOSSES BY KIND OF GRAIN—1968

Winter Wheat .....	\$ 282,023.88
Spring Wheat .....	61,522.73
Oats .....	2,236.73
Barley .....	36,002.19
Beets .....	1,191.46
Peas .....	702.00
Sanfoin .....	6,018.00
Safflower .....	174.00
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	\$ 390,770.99

HAIL STORMS FOR 1968 — The first reported loss was received May 29th and originated in Fergus County. Subsequent damage to Central Montana crops through August 5th exceeded \$2,000,000.00. Hail Losses incurred in that area during storms of July 17, 23, and 25, accounted for more than one half of the year's total claims. Fallon County received the last reported hail on September 7th.

## INVESTMENTS AND EARNINGS OF THE HAIL INSURANCE FUND

<b>Amount</b>		<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Interest Received</b>
\$ 350,000.00	FLB Bonds	4½%	October 20, 1969	\$ 16,607.99
400,000.00	FLB Bonds	6.2%	April 20, 1969	32,416.68
450,000.00	FLB Bonds	5¾%	July 20, 1976	24,187.50
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\$1,200,000.00				\$ 73,212.17

### PAYMENTS TO COUNTIES AND STATE—1968

Section 82-1511 RCM, 1947 provides payment of 1% of gross annual levies collected in individual counties to be made to the County Treasurer and 2% to the State Treasurer. Approximate payments of \$7,800.46 will be pro-rated to the various counties participating in the Hail Insurance Act. Payments to the State Treasurer are anticipated at \$15,600.92.

### ADJUSTMENT OF LOSSES

Although the number of reported losses reached 478, all adjustments were concluded without necessitating arbitration or Board review. Proficiency and dedication to a job well done appeared to be the spirit of the adjusting staff in 1968. The Board would like to express our appreciation for their success and we would also like to thank the participating County Treasurers and Assessors for their efforts and cooperation in providing insurance and assistance to our many policy holders.

This report is subject to minor changes, however the final data will not vary to any appreciable degree. The annual "Report to the Grain Growers" will contain the information included in this correspondence and will be disseminated to Farmers and Ranchers throughout Montana.

### 50 YEAR SUMMARY

Total Risk Written .....	\$199,059,549.15
Premium Charge .....	16,226,338.45
Losses Paid .....	13,142,320.64
Policies Issued .....	92,750.
Total Acres Insured .....	18,806,506.
Average Acres Per Policy .....	202.76
Loss Ratio .....	80.0%
Number of Losses Paid .....	19,862.

**DETAIL STATEMENT—RISK, LEVY, LOSSES, LOSS RATIOS**

<b>County</b>	<b>1968 Risk</b>	<b>1968 Levy</b>	<b>1968 Losses</b>	<b>Risk vs. Loss Ratio</b>	<b>Levy vs. Loss Ratio</b>
Big Horn.....	\$ 313,722.00	\$ 32,342.36	\$ 15,411.68	5.0%	47.7%
Blaine.....	322,867.00	33,686.48	5,204.55	2.0	15.4
Carter.....	16,170.00	1,636.22	2,769.97	17.0	169.3
Cascade.....	45,220.40	3,141.01	----	----	----
Chouteau.....	739,806.76	52,916.76	48,557.67	7.0	91.8
Daniels.....	206,124.00	16,591.73	2,345.95	1.0	14.1
Dawson.....	286,766.90	28,397.07	541.52	----	1.9
Fallon.....	314,838.80	31,333.88	2,484.30	1.0	7.9
Fergus.....	533,332.72	48,048.52	111,620.10	21.0	232.2
Garfield.....	124,194.00	11,204.72	25,048.73	20.0	223.6
Glacier.....	209,375.00	14,827.64	7,798.55	4.0	52.6
Golden Valley.....	70,860.00	7,032.39	32,514.07	46.0	462.3
Hill.....	470,762.00	37,062.14	3,133.06	1.0	8.5
Judith Basin.....	382,166.80	34,199.40	11,611.26	3.0	34.0
Lewis and Clark.....	1,404.00	84.24	141.12	10.0	167.9
Liberty.....	754,763.00	60,986.51	1,489.40	----	2.2
McCone.....	989,581.00	99,014.39	2,166.66	----	2.2
Musselshell.....	5,642.40	688.44	----	----	----
Petroleum.....	4,164.00	331.58	----	----	----
Phillips.....	152,612.06	12,940.31	----	----	----
Pondera.....	278,300.00	17,722.45	8,910.36	3.0	50.3
Powder River.....	146,211.00	14,619.37	17,413.35	12.0	119.1
Prairie.....	141,326.00	13,449.63	----	----	----
Richland.....	661,442.22	66,351.02	14,436.68	2.0	21.8
Roosevelt.....	202,612.00	15,818.53	11,873.96	6.0	75.1
Sheridan.....	437,642.00	34,684.80	34,582.25	8.0	98.9
Stillwater.....	97,504.00	8,552.69	11,530.49	12.0	134.8
Teton.....	488,625.00	29,652.78	4,471.19	1.0	15.1
Toole.....	330,819.70	27,520.85	1,611.06	----	5.9
Treasure.....	23,446.00	1,885.68	613.20	3.0	32.5
Valley.....	171,666.00	17,151.56	----	----	----
Wheatland.....	10,140.00	1,001.40	----	----	----
Wibaux.....	13,160.00	1,173.91	----	----	----
Yellowstone.....	40,616.00	3,995.66	12,489.87	31.0	312.6
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	\$8,987,832.76	\$780,046.12	\$390,770.99	4.3%	50.0%